

CHAPTER VI

SPECIAL PROVISIONS RELATING TO STATE TRANSPORT UNDERTAKINGS

97. Definition-

In this Chapter, unless the context otherwise requires, "road transport service" means a service of motor vehicles carrying passengers or goods or both by road for hire reward.

98. Chapter to override Chapter V and it her laws-

The provisions of this Chapter and the rules and orders made the under shall have effect notwithstanding anything inconsistent therewith contained in Chapter V or in any other law for the time being in force or in any instrument having effect by virtue of any such law.

99. Preparation and publication of proposal regarding road transport service of a State transport undertaking-

1[(1)] Where any State Government is of opinion that for the purpose of providing an efficient, adequate, economical and properly coordinated road transport service, it is necessary in the public interest that road transport service it is necessary in the public service in relation to any area or route or portion thereof should be run and operated by the State transport undertaking, whether to the exclusion, complete or partial, of other person or otherwise, the State Government may formulate a proposal regarding a scheme giving particulars of the nature of the services proposed to be rendered, the area or route proposed to be covered and other relevant particulars respecting thereto and shall publish such proposal in the Official Gazette of the State formulating such proposal and in not less than one newspaper in the regional language circulating in the area or route proposed to be covered by such scheme and also in such other manner as the State Government formulating such proposal deem fit.

2[(2)] Notwithstanding anything contained in sub-section (1), when a proposal is published under that sub-section, than from the date of publication of such proposal, no permit shall be granted to any person, except a temporary

permit during the pendency of the proposal and such temporary permit shall be valid only for a period of one year from the date of its issue or till the date of final publication of the scheme under section 100, whichever is earlier.]

100. Objection to the proposal-

(1) On the publication of any proposal regarding a skill in the Official Gazette and in not less than one newspaper in the regional language circulating in the area or route which to be covered by such proposal any person may, within thirty days from the date of its publication in the Official Gazette, file objection to it before the State Government.

(2) The State Government may, after considering the objections and after giving an opportunity to the objector or his representatives and the representatives of the State transport undertaking to be heard in the matter, if they so desire, approve or modify such proposal.

(3) The scheme relating to the proposal as approved or modified under sub-section (2) shall then be published in the Official Gazette by the State Government making such scheme and in not less than one newspaper in the regional language circulating in the area or route covered by such scheme and the same shall thereupon become final on the date of its publication in the Official Gazette and shall be called the approved scheme and the area or route to which it relates shall be called the notified area or notified route.

Provided that no such scheme which relates to any inter-State route shall be deemed to be an approved scheme unless it has the previous approval of the Central Government.

(4) Notwithstanding anything contained in this section, where a scheme is not published as an approved scheme under sub-section (3) in the Official Gazette within a period of one year from the date publication of the proposal regarding the scheme in the Official Gazette under sub-section (1), the proposal shall be deemed to have lapsed, Explanation-In computing the period of one year referred to in this sub-section, any period or periods during which the publication of the approved scheme under sub-section (3) was held up on account of any stay or injunction by the order of any Court shall be excluded.

101. Operation of additional services by a State transport undertaking in certain circumstances-

Notwithstanding anything contained in section 87, a State transport undertaking may, in the public interest operate

additional services for the conveyance of the passengers on special occasions such as to and from fairs and religious gatherings.

Provided that the State transport undertaking shall inform about the operation of such additional services to the concerned Transport Authority without delay.

102. Cancellation or modification of scheme-

- (1) The State Government may, at any time, if it considers necessary, in the public interest so to do, modify any approved scheme after giving-
 - (i) the State transport undertaking; and
 - (ii) any other person who, in the opinion of the State Government, is likely to be affected by the proposed modification, an opportunity of being heard in respect of the proposed modification.
- (2) The State Government shall publish any modification proposed under sub-section (1) in the Official Gazette and in one of the newspapers in the regional languages circulating in the area in which it is proposed to be covered by such modification, together with the date, not being less than thirty days from such publication in the Official Gazette, and the time and place at which any representation received in this behalf will be heard by the State Government.

103. Issue of permits to State transport undertakings-

- (1) Where, in pursuance of an approved scheme, any State Government in this behalf for a stage carriage permit or a goods carriage permit or a contract carriage permit in respect of a notified area or notified route lies in more than one region and the Regional Transport Authority in any other case shall issue such permit to the State transport undertaking, notwithstanding anything to the contrary contained in Chapter V.
- (2) For the purpose of giving effect to the approved scheme in respect of a notified area or notified route, the State Transport Authority or, as the case may be, the Regional Transport Authority concerned may, by order,-

- (a) refuse to entertain any application for the grant or renewal of any other permit reject any such application as may be pending;
 - (b) cancel any existing permit;
 - (c) modify the terms of any existing permit so as to-
 - (i) render the permit ineffective beyond a specified date;
 - (ii) reduce the number of vehicles authorised to be used under the permit;
 - (iii) curtail the area or route covered by the permit in so far as such permit relates to the notified area or notified route.
- (3) For the removal of doubts, it is hereby declared that no appeal shall lie against any action taken, or order passed, by the State Transport Authority or any Regional Transport Authority under sub-section (1) or sub-section (2).

104. Restriction on grant of permits in respect of a notified are or notified route -

Where a scheme has been published under sub-section (3) of section 100 in respect of any notified are or notified route, the State Transport Authority or the Regional Transport Authority, as the case may be, shall not grant any permit except in accordance with the provisions of the scheme.

Provided that where no application for a permit has been made by the State transport undertaking in respect of any notified are or notified route in pursuance of an approved scheme, the State Transport Authority or the Regional Transport Authority, as the case may be, may grant temporary permits to any person in respect of such notified area or notified route subject to the condition that such permit shall cease to be effective on the issue of a permit to the State transport undertaking in respect of the area or route.

105. Principles and method of determining compensation and payment thereof -

(1) Where, in exercise of the powers conferred by clause(b) or clause (c) of sub-section (2) of section 103, any existing permit is cancelled or the terms thereof are modified, there shall be paid by the State transport undertaking to the holder of the permit, compensation, the amount of which shall be determined in accordance with the provisions of sub-section (4) or sub-section (5), as the case may be.

(2) Notwithstanding anything contained in sub-section (1), no compensation shall be payable on account of the cancellation of any existing permit or any modification of the terms thereof, when a permit for an alternative route or area in lieu thereof has been offered by the State Transport Authority or the Regional Transport Authority, as the case may be and accepted by the holder of the permit.

(3) For the removal of doubts, it is hereby declared that no compensation shall be payable on account of the refusal to renew a permit under clause (a) of sub-section 103.

(4) Where, in exercise of the powers conferred by clause (b) or sub-clause (i) or sub-clause (ii) of clause (c) of sub-section (2) of section 103, any existing permit is cancelled or the terms thereof are modified so as to prevent the holder of the permit from using any vehicle authorised to be used thereunder for the full period from which the permit, would otherwise have been effective, the compensation payable to the holder of the permit for each vehicle affected by such cancellation or modification shall be computed as follows-

(a) for every complete month or part of a month exceeding fifteen days of the unexpired period of the permit-
Two hundred rupees;

(b) for part of a month not exceeding fifteen days of the unexpired period of the permit-

(5) Where, in exercise of the powers conferred by sub-clause (iii) of clause (c) of sub-section (2) of section 103, the terms of an existing permit are modified so as to curtail the area or route of any vehicle authorised to be used thereunder, the compensation payable to the holder of the permit on account of such curtailment shall be an amount computed in accordance with the following formula, namely- $Y \times A / R$

Explanation-In this formula,-

- (i) "Y" means the length or area by which the route or area covered by the permit is curtailed;
- (ii) "A" means the amount computed in accordance with sub-section (4);
- (iii) "R" means the total length of the route or the total area covered by the permit.

(6) The amount of compensation payable under this section shall be paid by the State transport undertaking to the person or persons entitled thereto within one month from the date on which the cancellation or modification of the permit becomes effective.

Provided that where the State transport undertaking fails to make the payment within the said period of one month, it shall pay interest at the rate of seven per cent, per annum from the date on which it falls due.

106. Disposal of articles found in vehicles-

Where any article found in any transport vehicle operated by the State transport undertaking is not claimed by its owner within the prescribed manner and the sale proceeds thereof, after deducting the costs incidental to sale, shall be paid to the owner on demand.

107. Power of State Government to make rules-

- (1) The State Government may make rules for the purpose of carrying into effect the provisions of this Chapter.
- (2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely-
 - (a) the form in which any proposal regarding a scheme may be published under section 99;
 - (b) the manner in which objections may be filed under sub-section (1) of section 100;
 - (c) the manner in which objections may be filed under sub-section (2) of section 100;

- (d) the form in which any approved scheme may be published under sub-section (3) of section 100;
- (e) the manner in which application under sub-section (1) of section 103 may be made;
- (f) the period within which the owner may claim any article found left in any transport vehicle under section 106 and the manner of sale of such article.
- (g) the manner of service of orders under this Chapter;
- (h) any other matter which has to be, or may be, prescribed.

108. Certain powers of State Government exercisable by the Central Government-

The powers conferred on the State Government under this Chapter shall, in relation to a corporation or company owned or controlled by the Central Government or by the Central Government and one or more State Government, be exercisable only by the Central Government in relation to an inter-State route or area.

CHAPTER VII

CONSTRUCTION, EQUIPMENT AND MAINTENANCE OF MOTOR VEHICLES

109. General provision regarding construction and maintenance of vehicles-

- (1) Every motor vehicle shall be so constructed and so maintained as to be at all times under the effective control of the person driving the vehicle.
- (2) Every motor vehicle shall be so constructed as to have right hand steering control unless it is equipped with a

mechanical or electrical signaling device of a prescribed nature.

+1[(3) If the Central Government is of the opinion that it is necessary or expedient so to do, in public interest, it may by order published in the Official Gazette, notify that any article or process used by a manufacturer shall confirm to such standard as may be specified in that order.]

110. Power of Central Government to make rules -

(1) The Central Government may make rules regulating the construction, equipment and maintenance of motor vehicles and trailers with respect to all or any of the following matters, namely-

- (a) the width, height, length and overhand of vehicles and of the loads carried;
- (b) the size, nature, maximum retail price and condition of tyres, including embossing thereon of date and year of manufacture, and the maximum load carrying capacity.]
- (c) brakes and steering gear;
- (d) the use of safety glasses including prohibition of the use of tinted safety glasses;
- (e) signaling appliances, lamps and reflectors;
- (f) speed governors;
- (g) the emission of smoke, visible vapour, sparks, ashes, grit or oil;
- (h) the reduction of noise emitted by or caused by vehicles;
- (i) the embossment of chassis number and engine number and the date of manufacture;
- (j) safety belts, handle bars of motor cycles, auto-dippers and other equipment essential for safety of drivers, passengers and other road users;

- (k) standards of the components used in the vehicle as inbuilt safety devices;
- (l) provision for transportation of goods of dangerous or hazardous nature to human life;
- (m) standards for emission of air pollutants;
- 2[(n) installation of catalytic converters in the class of vehicles to be prescribed;
- (o) the placement of audio-visual or radio or tape recorder type of devices in public vehicles;
- (p) warranty after sale of vehicle and norms therefor.]

Provided that any rules relating to the matters dealing with the protection of environment, so far as may be, shall be made after consultation with the Ministry of the Government of India dealing with environment.

(2) Rules may be made under sub-section (1) government the matters mentioned therein, including the manner of ensuring the compliance with such matter and the maintenance of motor vehicles in respect of such matters, either generally in respect of motor vehicles or trailers or in respect of motor vehicles or trailers of a particular class or in particular circumstances.

(3) Notwithstanding anything contained in this section,-

- (a) the Central Government may exempt any class of motor vehicles from the provisions of this Chapter;
- (b) a State Government may exempt any motor vehicle or any class or description of motor vehicles from the rules made under sub-section (1) subject to such conditions as may be prescribed by the Central Government.

111. Power of State Government to make rules-

(1) A state Government may make rules regulating the construction, equipment and maintenance of motor

vehicles and trailers with respect to all matters other than the matters specified in sub-section (1) of section 110.

(2) Without prejudice to the generality of the forgoing power, rules may be made under this section government all or any the following matters either generally in respect of motor vehicles or trailers or in respect of motor vehicles or trailers of a particular class or in particular, namely-

- (a) seating arrangements in public service vehicles and the protection of passengers against the weather;
- (b) prohibiting or restricting the use of audible signals at certain times or in certain places;
- (c) prohibiting the carrying of appliances likely to cause annoyance or danger;
- (d) the periodical testing and inspection of vehicles by prescribed authorities 1[and fees to be charged for such test];
- (e) the particulars other than registration marks to be exhibited by vehicles and the manner in which they shall be exhibited;
- (f) the use of trailers with motor vehicles; and
- (g) 2[* * * * *]